

***Remarks***

Reconsideration of this Application is respectfully requested.

Upon entry of the foregoing amendment, claims 1-88 are pending in the application, with claims 1, 29, 57, and 85 being the independent claims. New claims 85-88 have been added. These changes are believed to introduce no new matter, and their entry is respectfully requested.

Based on the above amendment and the following remarks, Applicants respectfully request that the Examiner reconsider all outstanding objections and rejections and that they be withdrawn.

***Summary of Interview***

Applicants thank the Examiner for the courtesies extended to Applicants' representatives during the telephonic interview on June 11, 2008. The rejections of record were discussed as well as potential amendments to the claims for differentiating the claimed invention from the cited art. The Examiner encouraged Applicants to submit their arguments in response to the Office Action.

***Indication of Allowable Subject Matter***

Applicants thank the Examiner for indicating that claims 23-28, 51-56, and 79-84 would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. For at least the reasons discussed below with respect to independent claims 1, 29 and 57, below, from which these claims depend,

Applicants believe that claims 23-28, 51-56, and 79-84 are allowable as written.

Allowance thereof is respectfully requested.

***Information Disclosure Statement***

Applicants request that the Examiner acknowledge that he considered the declaration of Jie Cheng and the associated Exhibits A-F, which were submitted as part of the Information Disclosure Statement filed February 16, 2005.

***Claim Objections***

Claims 25, 53, and 81 are objected to for referencing and claiming subject matter in the specification. It is noted the Examiner referred to claim 54 in the Office Action, but it appears he intended to refer to claim 53. Claims 25, 53, and 81 are amended herein to remove the reference to equation 1. Accordingly, Applicants respectfully request that this objection be withdrawn.

***Rejections under 35 U.S.C. § 112, First Paragraph***

Claims 1-84 are rejected under 35 U.S.C. § 112, first paragraph for allegedly failing to comply with the enablement requirement. Applicants respectfully traverse this rejection.

Claims 1, 29, and 57

Specifically, the Examiner indicated claims 1, 29, and 57 recite "an optimized commodity distribution plan" based on a "generated forecast price" and that the specification is silent as to how a forecasted price is integrated into a distribution plan

and how an entire distribution plan can be generated with only a forecasted price.

However, no undue experimentation is necessary. For example in one embodiment, as described in the specification at paragraph [0046] with reference to FIG. 3, once a forecast price is generated for each present commodity product, an optimized auction commodity distribution plan is generated using a genetic algorithm. As a further example, FIG. 5 and the associated description in the specification in paragraphs [0052]-[0065] discusses in the detail an example of how obtaining the generated forecast prices in step 502 is used in steps 504 through 542 to ultimately lead to an optimized commodity distribution plan being outputted in step 544. There is sufficient disclosure of how the generated forecast price is used to develop the optimized commodity distribution plan. Accordingly, claims 1, 29, and 57 are sufficiently enabled for one of ordinary skill in the art to make and use the claimed invention.

Claims 13-28, 41-56, and 69-84

The Examiner also indicated claims 13-28, 41-56, and 69-84 recite determining an initial forecast based on a mere description data and that the specification is silent as to how to create an initial forecast based on description data. However, no undue experimentation is necessary. As shown for example in FIG. 2, in one embodiment, an initial forecast auction price is determined by an initial auction price determination module 250 that uses the results provided by the elasticity matrix computation module 225, the vehicle feature and auction type module 235, and the mileage depreciation analysis module 240. See specification, paragraph [0025]. Each of the elasticity matrix computation module 225, the vehicle feature and auction type module 235, and the mileage depreciation analysis module 240 rely on information from the wholesale

transaction database 245, which includes description data of the commodities to be auctioned, such as past sales of similar commodities, mileage, color, materials, and other features. See specification, paragraphs [0022] - [0025]. Further details of the elasticity matrix computation module 225, the vehicle feature and auction type module 235, and the mileage depreciation analysis module 240 may be found, for example, in paragraphs [0034], [0039], and [0040] of the specification, respectively. Accordingly, claims 13-28, 30-56, and 58-84 are sufficiently enabled for one of ordinary skill in the art to make and use the claimed invention.

Applicants respectfully request that these rejections be withdrawn as the specification sufficiently enables one of ordinary skill in the art to make and use the invention claimed in claims 1-84.

***Rejections under 35 U.S.C. § 112, Second Paragraph***

Claims 1-84 are rejected under 35 U.S.C. § 112, second paragraph, as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter of the invention.

Claims 6-8, 34-36, and 62-64

With regard to claims 6-8, 34-36, and 62-64, the Examiner indicated that claims 6, 34, and 62 (the Examiner cited claims 35 and 63, but it appears the Examiner meant claims 34 and 62) recite the step of performing the elasticity computations where the first and second commodity products have the same model type and model year, whereas claim 7, which depends from claim 6, requires that the commodity products have different model types and model years. The Examiner believed this to be a contradiction

and interpreted claims 7 and 8 to require the same model type and model year. It is unclear if the Examiner made the same interpretation for claims 35-36 and 63-64, which depend from claims 34 and 62, respectively, and have similar recitations as claims 7-8. Applicants respectfully traverse this interpretation.

Claims 6, 34, and 62 each refer to performing one or more elasticity computations by determining a self-price elasticity value based on first and second past auction commodity products having the same commodity model type and the same commodity model year. As amended herein, claims 7, 35, and 63 each refer to determining a cross-price elasticity value for a first and third past auction commodity products having different commodity model types. As amended herein, claims 8, 36, and 64 each refer to determining a cross-price elasticity value for first and fourth past auction commodity products having different commodity model years. Accordingly, it is believed the amendment to claims 7, 8, 35, 36, 63, and 64 have removed the contradiction noted by the Examiner. The first and third past auction commodity products of claims 7, 35, and 63 may have different commodity model types and the first and fourth past auction commodity products of claims 8, 36, and 64 may have different commodity model years. Applicants respectfully request that these rejections be withdrawn.

Claims 10, 12, 38, 40, 66, and 68

It appears the Examiner considers the term "present auction commodity description data" in claims 10, 38, and 66 and the term "past auction commodity description data" in claims 12, 40, and 68 to be unclear. It is noted the Examiner referred

to claims 39, 41, 67, and 69 in the Office Action, but it appears he intended to refer to claims 38, 40, 66, and 68. Applicants traverse this rejection.

The terms are self explanatory and are not unclear. The term "present auction commodity description data" refers to description data of a present auction commodity. Similarly, the term "past auction commodity description data" refers to description data of a past auction commodity. Accordingly, Applicants respectfully request that this rejection be withdrawn.

Claims 25, 53, and 81

The Examiner indicated claims 25, 53, and 81 are unclear because they refer to equation 1. It is noted the Examiner referred to claim 54 in the Office Action, but it appears he intended to refer to claim 53. Claims 25, 53, and 81 are amended herein to remove the reference to equation 1. Accordingly, Applicants respectfully request that this rejection be withdrawn.

Claims 58 and 59

The Examiner noted that claims 58 and 59 should depend from claim 57 rather than claim 28. Claim 58 is amended herein to depend from claim 57 and claim 59 is amended herein to depend from claim 58. Accordingly, Applicants respectfully request that this rejection be withdrawn.

***Rejections under 35 U.S.C. § 103***

Claims 1-22, 29-50, and 57-78 are rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No. 7,343,355 to Ivanov *et al.* ("the Ivanov patent") in view of U.S. Pub. No. 2002/0082977 to Hammond *et al.* ("the Hammond

publication"). It is noted that only claims 1-22 are specifically discussed in the rejection, however it appears the discussion of each of claims 1-22 was intended to include the corresponding claims in the claims sets of claims 29-50 and claims 57-78. Applicants respectfully traverse this rejection.

The present invention is generally directed to generating an optimized auction commodity distribution plan for selling one or more present auction commodity products such as, for example, automotive vehicles, at a single auction site chosen from one or more auction sites. One or more elasticity computations are performed based on the sales of one or more past auction commodity products sold at one of the one or more auction sites. Each of the present auction commodity products and each of the past auction commodity products have an associated model type and a model year that may be utilized in generating an auction forecast price. An auction forecast price is generated for each present auction commodity product that is to be auctioned at one of the one or more auctions sites utilizing the one or more elasticity computations. The generated forecast price is utilized to generate an optimized auction commodity distribution plan that distributes the one or more present auction commodity products. The distribution plan maximizes the profits of selling all of the one or more present auction commodity products by indicating to which one of the auction sites each of the one or more present auction commodity products will be sent for auction. This results in a distribution plan for distributing each of the one or more present auction commodity products to one of the one or more auction sites prior to the present auction commodity product being placed on auction.

Independent Claims 1, 29, and 57

Independent claim 1 recites a method for generating an optimized auction commodity distribution plan that includes "generating an optimized auction commodity distribution plan for said one or more present auction commodity products using said generated forecast price." Independent claim 29 recites a system for generating an optimized auction commodity distribution plan that includes "means for generating an optimized auction commodity distribution plan for said one or more present auction commodity products using said generated forecast price." Independent claim 57 recites a computer program product embodied on a computer useable medium comprising computer program logic stored therein for generating an optimized auction commodity distribution plan including "computer readable program code means for generating an optimized auction commodity distribution plan for said one or more present auction commodity products using said generated forecast price." Accordingly each of independent claims 1, 29, and 57 includes a step of or means for generating an optimized distribution plan as to which one of the one or more auction sites each of the one or more present auction commodity products should be distributed for sale based on the generated forecast price. The Ivanov patent and the Hammond publication, either alone or in combination, fail to disclose or suggest the generation of such an optimized distribution plan. Accordingly, the Examiner has failed to establish a *prima facie* case of obviousness.

The Ivanov patent appears to be directed to generating an optimized pricing plan for a category of items that involves utilizing elasticity computations. See col. 2, lines 14-15 and col. 3, line 52 to col. 4, line 6. As noted by the Examiner, the Ivanov patent



fails to suggest a step of or means for "generating an optimized auction commodity distribution plan for said one or more present auction commodity products using said generated forecast price." Further, the Ivanov patent appears to be directed towards utilizing price elasticity computations to price a commodity to increase demand and thereby maximize profit regardless of the supply volume for sale. However, the present invention uses elasticity computations to determine an optimum distribution plan of an inventory of commodity products, which is focused on determining the optimum supply volume for each auction site in order to maximize the profit of selling the entire inventory of commodity products. Accordingly, the Ivanov patent fails to disclose or suggest the claimed invention.

The Hammond publication appears to be directed to a system that collects data from on-line auction sales and determines the best auction sites to list a product based on a variety of data collected from past and present auctions of similar products. See paragraphs [0013] and [0112]-[0120]. It appears that the product to be auctioned is initially placed at a plurality of on-line auction sites, the system ranks each site to optimize the closing price, and the product is removed from auction at all but the site with the highest rank. See paragraphs [0009], [0014], [0137], and [0140]. The Hammond publication does not disclose or suggest a step of or means for generating an optimized distribution plan. Rather the Hammond publication suggests placing a product for auction at several on-line auctions at the same time. In this way, the Hammond publication teaches away from a distribution plan. Rather the Hammond publication discloses placing the products on auction at a plurality of on-line auction sites first and then subsequently delisting the products until each product is only listed at a single on-

line auction site. The Hammond publication fails to suggest or disclose the claimed invention.

Accordingly independent claims 1, 29, and 57, and claims 2-22, 30-50, and 58-78, which depend therefrom and add further limitations to, are patentable. Applicants respectfully request that the rejection of these claims be withdrawn and the claims allowed.

New Independent Claim 85 and Dependent Claims 86-88

Independent claim 85, newly added by amendment herein, recites a method for generating an optimized auction commodity distribution plan including "generating an optimized auction commodity distribution plan for said plurality of present auction commodity products using said generated forecast price, wherein said optimized auction commodity distribution plan is a plan for distributing each of said present auction commodity products to one of said plurality of auction sites." For at least the reasons noted above with respect to claim 1 the cited art does not disclose or suggest the invention of claim 85. The Ivanov patent and the Hammond Publication, either alone or in combination, fail to disclose or suggest generating an optimized auction commodity distribution plan, as claimed. Accordingly, Applicants request that claim 85 be allowed.

Dependent claims 86-88, newly added by amendment herein recite, "wherein the optimized distribution plan is a plan for distributing each of said one or more present auction commodity products to one of said one or more auction sites prior to said auction commodity product being placed on auction." For at least the reasons noted above with respect to claims 1, 29, and 57, the cited art does not disclose or suggest the invention of claims 86-88. The Ivanov patent and the Hammond Publication, either alone or in

combination, fail to disclose or suggest generating an optimized auction commodity distribution plan, as claimed. Accordingly, Applicants request that claims 86-88 be allowed.

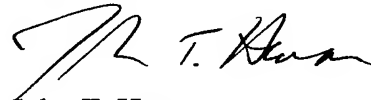
### ***Conclusion***

All of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX P.L.L.C.



John T. Haran  
Attorney for Applicants  
Registration No. 58,010

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1100 New York Avenue, N.W.  
Washington, D.C. 20005-3934  
(202) 371-2600  
824547